

**701—65.16(452A) Refunds to persons not licensed under chapter 452A.** Refunds of taxes paid on special fuel used for other than highway or aircraft use are available to persons not licensed under Iowa Code sections 452A.17 and 452A.18, and rules 701—64.8(452A) and 701—64.9(452A). The refunds are available if the tax has been paid, the special fuel is used other than in watercraft, aircraft or to propel motor vehicles, the person requesting the refund has a refund permit, and the claim is filed within the appropriate time and in the appropriate manner with the appropriate supporting documents. (See rules 701—64.8(452A) to 701—64.11(452A).) The income tax credit set forth in rule 701—64.11(452A) shall apply equally to special fuel.

By definition, all fuel placed into a motor vehicle or aircraft special fuel holding tank must be for highway or aircraft use. Therefore, a refund for other than highway or aircraft use of special fuel is not available for fuel dispensed from a motor vehicle or aircraft special fuel holding tank. However, fuel used in the fuel supply tank of a motor vehicle or aircraft as a fuel source for off-loading procedures is considered a nonpropulsion use, and will not disqualify the storage as a motor vehicle or aircraft special fuel holding tank. The fuel used for off-loading will also be subject to refund.

A refund for taxes paid on special fuel lost through casualty or like cause is available under Iowa Code section 452A.71 as set forth in rule 701—64.12(452A).

This rule is intended to implement Iowa Code sections 452A.17 and 452A.71.